



**THE
MUSCOGEE (CREEK) NATION**

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**Muscogee (Creek) Nation
Principal Chief James R. Floyd
2017 State of the Nation Address**

As your Principal Chief, I come before you to deliver the State of the Nation Address of our Muscogee (Creek) Nation, and can report that the State of Nation is strong, much more improved than one year ago, and that it will grow even stronger. I am pleased today to report on achievements we have made this past year and efforts we are making become even stronger.

One year ago, the Second Chief and I began our administration promising to lead our Nation to become better in providing services, and working together to elevate the Muscogee (Creek) Nation. We pledged to return to our basic core values that our Tribal government is here to serve our Muscogee (Creek) Citizens. We believed that if we embraced our traditions, our ceremonies, our religions and our communities, and kept them close to us as we move forward, we would reflect a culture of service in line with the needs our citizens. We have seen that we have, in fact, become better, and plan to continue to improve.

I am thankful to all Citizens, in and out of our boundaries, in attendance today as well as those who are watching online.

I am grateful to Speaker Lucian Tiger, Second Speaker David Hill and members of the National Council who worked closely with our administration to address issues facing our Nation, as well as their dedication in doing the best for our Citizens. Together we have worked hard to make many positive improvements in 2016.

I want to recognize our Royalty Brittany McKane, Miss Muscogee Nation, and Madeline Lamb, Junior Miss Muscogee Nation, for respectfully representing our Nation at many events throughout the year.

I ask for the members of our Youth Council to please stand. This past summer The United National Indian Tribal Youth, Inc. (UNITY), an organization dedicated to augmenting social and mental development to contribute to a stronger Indian Country, named the Muscogee (Creek) Nation Youth Council as Youth Council of the Year at the 40th anniversary conference of UNITY. We are very proud of our Youth Council and their leaders, their service in our communities and leadership skills they are developing. (You may be seated.)

I am especially grateful for the strength and influence of elder Citizens for sustaining the spirit of our Nation and keeping our traditions alive. May 2017 continue to bring you good health.

The Second Chief and I hold the highest respect for our Citizens, our men and women, who have worn the uniform of our Armed Services, and sacrificed their lives to serve our Country in defending our freedom, and those presently serving throughout the world. Just a few months ago, we were honored to have our Tribal Citizen Corporal Philip Coon, World War II Batten Death March survivor and Prisoner of War posthumously honored with induction into the Oklahoma Military Hall of Fame. His strength of survival as well as his service in our churches and communities will always be remembered by those whose lives he touched.

We continue to mourn the loss of our Muscogee (Creek) Citizens who passed from our presence this past year and pray that their families will be comforted in their loss. May we always remember the contributions they made to our Nation and may their legacies serve as a continuing strength for us to build upon.

We must also keep in mind our great history of resiliency to guide us. Since the earliest conflicts with Europeans, our Citizens have had different views and chosen different sides, but we continued to be one Tribe. Only 150 years ago, after the Civil War, we lost half our land and were divided about how to rebuild. Though there were many disagreements, we were able to come together to write a Constitution that guided us for many years. At this time we must come together again, united in strength to confront the issues that could threaten our Nation.

When I took office, I took an oath to uphold our Constitution and protect our Sovereignty. I made a promise to you, which to the best of my abilities, I work daily to uphold, here in our Nation, working with other tribes, and with the Federal Government. Maintaining our sovereignty and resources will require more effort and presence in Washington, DC this coming year. I am grateful for the teamwork with the Second Chief and our staff as we find our tasks are now more daunting. To our Citizens, please help--stay informed about issues that confront us and let your State and Federal representatives know that you expect them to honor their promises to us.

As the leader of the Executive Branch, my commitment is to provide you an organization of structure, resources and equipment needed to deliver the best services that our Citizens deserve. A primary focus my first year has been to implement a government-wide infrastructure of equipment and systems that are standardized and effective, while revising and improving policies and procedures that ensure our staff are compliant and accountable with all federal requirements in meeting your needs.

I ask all employees of the Nation to please stand. The Second Chief and I want you to know that in whatever your role, we value your service and sacrifice to our Citizens. Our responsibility is to support you in your jobs. Because of you, we have achieved great accomplishments and are positioned for many more. (You may be seated.)

I could describe great improvements and accomplishments in all departments, but today, I will highlight just a few:

Culture.

The strength of our Nation is ensuring the active practice of our culture.

During 2016, the Second Chief and I met with traditional ceremonial grounds leaders and church leaders of many faiths to understand their needs and hear their perspectives for the future of our Nation. We are grateful for their leadership in maintaining the spirituality of our citizens and dedication to sustaining faith in our traditional practices at our grounds and churches. We will continue to seek their input as we make decisions related to their concerns, and will do all we can to help them stay strong.

Finance

Beginning in 2016, we immediately faced many financial challenges. I am happy to report that we were able to end the year with our budgets balanced and started fiscal year 2017 with a budget approved by the National Council.

The Permanent Fund of the Nation grew to more than \$319 Million, an increase of almost \$22 Million over this time last year.

The Office of Treasury successfully merged the Department of Health Finance into its office and now all accounting functions are handled in one location, saving duplication of positions and more efficiency of

financial management. Through the leadership of our Controller, both Tribal and Health FY16 books were closed out much earlier than in the past four years and we already started our comprehensive audit.

Information Management

I am proud to report that this administration has made the security of our Citizens' personal information a high priority. In Information Management we have focused on ensuring our data systems are secure and updated with the latest technology available. We have controlled access to all computer systems. We completed total encryption of our computer system and established firewalls to protect against outside intrusion.

Through our information technology investments, our cumulative bandwidth has increased 1100%. With these improvements, Citizens will see shorter times to fill prescriptions, improved phone system capability, faster medical record entry and retrieval, with complete system backup daily. We have switched from legacy circuits to Ethernet, and will save \$180,000 each year. We have renegotiated our telephone long-distance contract which will save the Nation \$700,000 a year.

Interior Affairs

Restoration of the Creek Council House is underway, and when completed next year will again be the centerpiece of our Nation as it was in 1878.

We have succeeded in obtaining Congressional approval for transferring 18 acres of federal property into trust for our Nation to add to our Fountainhead property. A second parcel of 48 acres of the Fountainhead property is in the final step in being placed into trust by the Department of the Interior. When completed, we will work with the National Council to begin to plan for Fountainhead's economic development and bring much-needed jobs to McIntosh County, which is currently experiencing the highest employment rate in Oklahoma.

In 2016, we requested the BIA Realty Office return to Okmulgee and this renewed relationship has led to seven properties totaling 132 acres, being placed into trust status for our Nation.

In February, we will propose to the National Council a bill to authorize a master planning process to determine the best use of all our existing properties in the Okmulgee area. The plan will guide our decisions in the future for new businesses, cultural programs and employment growth opportunities for our Citizens.

Business Development

In 2016, the Nation expanded our business enterprises by opening the Flying Tee virtual golf venue, increased the leasing space with long-term agreements at River Walk to 98% occupancy, celebrated the openings of River Spirit's Margaritaville Casino and Restaurant, our 483-room luxury hotel, and Paradise Cove Theater. By the end of this month, all businesses within River Spirit including Ruth's Chris Steakhouse and a full-service spa will be in full operation. We also started a Staffing Solutions company and opened the One Stop fuel station near Glenpool. These enterprises have added more than 1000 new jobs opportunities for our Citizens while contributing a projected \$135 million annually into local city economies.

We reorganized and consolidated the Agriculture and Natural Resource programs of the Nation to allow for direct administration and oversight. In our Farm and Ranch operations, we are transitioning to the development of a red Angus herd of cattle because of its vigor and value added production. We recently acquired 400 acres of agricultural land near the Hanna farm property for additional hay harvest and cattle operations.

The state of our business development is strong and we are seeing significant opportunities throughout the Nation.

In 2017, we will continue to upgrade our gaming properties, initiate the design of the Fountainhead

destination resort and announce other significant business plans as they become finalized.

Education

For our Head Start children, we have been able to upgrade three center playgrounds to improve their safety. Their programs received 100% compliance for Environmental Health And Safety by the Administration for Children and Families.

For our youngest students, we were able to replace six of our twelve pre-school buses with 29-passenger buses that include seat belts and the latest safety features available. We will work this year to seek additional grants to replace the remainder of the buses.

Under new leadership, the Eufaula Dormitory was revitalized, and recruitment resulted in enrollment more than doubling from the last school year. It continues to attract new applicants. The Dormitory was recognized by the Bureau of Indian Education for its commitment in providing the best residential services and academic support for the students we serve.

The Higher Education Program provided scholarships for 1500 students for the spring 2016 semester and 1,626 students for the fall semester.

The College of the Muscogee Nation received Accreditation by the Higher Learning Commission in October. Our Nation now has the first accredited tribal college in Oklahoma. Accreditation enhances transfer of our course credits to other colleges and universities and allows us to administer federal financial aid to our enrolled students.

Health Care

By far, our toughest challenge this past year was in our health care department. At the outset, our administration faced many complex issues that required immediate action to address budget shortfalls while meeting patients' needs. With the support and action of the National Council we were provided authority to restructure our financing to reduce expenses, re-align program management, and reorganize staffing levels to match patient care needs, unfortunately resulting in a reduction of staff. We were able to accomplish our goals with dedicated health care providers on the front lines, and with the willingness of several in management to assume extra duties. By years end, we had re-organized in a more efficient manner and re-hired many of our staff.

As we enter 2017, we are back on track to become the health care system of which our Citizens can be proud, that provides timely and quality care to our Citizens. Some examples:

- Total revenue collected from health care billings for calendar year 2016 was \$50,101,181, an increase of \$9,233,737 over the previous calendar year.
- Outpatient clinic appointments increased at all sites each quarter of the past year.
- The Okemah Hospital will be completed and opened this year. We re-structured the construction financing to avoid high loan fees, rid us of the balloon payment, and reduced the overall construction costs.
- The Eufaula Clinic, a joint venture project with the Indian Health Service, is under construction and will be completed in 2018. Over the next 20 years, the Indian Health Service will contribute at least \$240 Million for operational costs and 133 staff to better serve our Citizens. This is a great return for our \$26 Million construction investment.

Executive Branch

As we entered office last year, we began amidst many Citizens' concerns of staff excessive spending, reporting to work late and using tribal vehicles for personal gain. I want to assure you that we have addressed these issues.

We have implemented a Tribal-wide system in which employees must scan in and out each day to record their time at work. We ended the practice of employees taking cars home and treating them as a personal vehicle. We established a central motor pool so staff can request vehicles for business use as needed. With the approval of the National Council, we established a policy where all vehicle purchases are through the State Fleet Vehicle Pricing Program. These changes have allowed the Nation to save thousands of dollars in vehicle purchases and management.

During this past year, we strengthened operational policies and improved workflow processes for better services to Citizens. We publicly reported more measurable program information in our Quarterly Reports than ever. Though our Tribe's Independent Agencies are not under my authority, I have asked them to participate in our quarterly reporting. We have made the reports available in print and via online media, including on our new updated website, for all to see. Again, we will be compliant and accountable in all we do.

My administration's priority is creating a Culture of Compliance for the Executive Branch of the Nation and beyond. This year we will establish a Compliance Working Group made up of employees that will meet regularly to discuss compliance issues and questions and assist with the implementation of procedures aimed at preventing fraud, waste and abuse. In establishing the Working Group, one of the primary goals is to encourage employees at all levels to play a meaningful role in the compliance process.

In addition, we are developing an Ethics Program where every employee will receive yearly training on acceptable conduct in the workplace. Already, this month more than 500 of the Nation's employees have received Ethics Training. I was impressed at their enthusiasm and willingness to become engaged in elevating our standards. We are in the process of updating the Nation's Code of Ethics for all staff and will require annual certification of updated training. Finally, we will establish a process that would enable employees to anonymously report suspected unlawful or unethical conduct. We want an open workplace where employees are unafraid to raise concerns that they may have, as well as report suspected wrongdoing. We support our staff in doing the right thing everyday.

Speaking for Second Chief Hicks and myself, it has been an honor and a privilege to serve as leaders of the Muscogee (Creek) Nation. The first year of our administration has been challenging but rewarding, long hours but positive outcomes. We are thankful for the enthusiasm our employees have demonstrated in meeting the needs of our Citizens.

We will continue to give our best in all matters at all times. As I have said before, my hope is, united by a common bond, that we will strengthen each other by always remembering our past is the greatest teacher of our future. May each of you be blessed in your efforts to fulfill your duties to sustain our traditional values by always remembering the sacrifices of our ancestors and using that knowledge to ensure we have a brighter future for those who follow in our footsteps.

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